

Bioself Technology Ltd

Annual Report and Unaudited Financial Statements

for the Year Ended 31 October 2021

Bioself Technology Ltd

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Bioself Technology Ltd
(Registration number: 09818825)
Balance Sheet as at 31 October 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	4	226,613	271,088
Tangible assets	5	-	383
		<u>226,613</u>	<u>271,471</u>
Current assets			
Stocks	6	48,312	-
Debtors	7	271,772	501,396
Cash at bank and in hand		117,990	210,103
		<u>438,074</u>	<u>711,499</u>
Creditors: Amounts falling due within one year	8	<u>(2,110,380)</u>	<u>(677,311)</u>
Net current (liabilities)/assets		<u>(1,672,306)</u>	<u>34,188</u>
Total assets less current liabilities		<u>(1,445,693)</u>	<u>305,659</u>
Creditors: Amounts falling due after more than one year	8	<u>(860,575)</u>	<u>(570,975)</u>
Net liabilities		<u>(2,306,268)</u>	<u>(265,316)</u>
Capital and reserves			
Called up share capital		1,706	1,486
Share premium reserve		715,874	673,413
Profit and loss account		<u>(3,023,848)</u>	<u>(940,215)</u>
Total equity		<u>(2,306,268)</u>	<u>(265,316)</u>

The notes on pages [3](#) to [10](#) form an integral part of these financial statements.
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Bioself Technology Ltd

**(Registration number: 09818825)
Balance Sheet as at 31 October 2021**

For the financial year ending 31 October 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 17 February 2022 and signed on its behalf by:

Ms A K Gudmundson
Director

The notes on pages [3](#) to [10](#) form an integral part of these financial statements.
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Notes to the Unaudited Financial Statements for the Year Ended 31 October 2021

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Winchester House
Deane Gate Avenue
Taunton
Somerset
TA1 2UH
England

The principal place of business is:

21 Constable Close
Lawford
Manningtree
CO11 2LD
England

These financial statements were authorised for issue by the Board on 17 February 2022.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

The Coronavirus pandemic continues to affect the global economy since the balance sheet date. To date, this has not had a significant impact on the company's financial position as manufacturers have been able to continue production. The directors expect the economic conditions to remain uncertain for the immediate future but are confident that the company has adequate resources and access to potential further borrowings to be able to continue in operation and pay its debts as they fall due. Therefore the accounts have been prepared on a going concern basis.

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Notes to the Unaudited Financial Statements for the Year Ended 31 October 2021

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts.

The company recognises revenue when:
The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the Balance Sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Furniture, fittings and equipment	20% straight line method

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Notes to the Unaudited Financial Statements for the Year Ended 31 October 2021

Intangible assets

Separately acquired patents are stated at historical cost, less accumulated amortisation and accumulated impairment losses.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Patents	20% straight line
Development costs	20% straight line

Research and development

Research expenditure is written off to the profit or loss in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated and reliably measured. Provision is made for any impairment.

Any expenditure carried forward is amortised in line with the expected sales from the related project over the period of expected benefit. Amortisation commences once the asset has been fully developed and is ready for commercial production.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

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Notes to the Unaudited Financial Statements for the Year Ended 31 October 2021

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

Other financial instruments

Recognition and measurement

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Other financial instruments issued by the company comprise convertible loan notes and SAFEs that can be converted to share capital at the option of the holder within the contractual terms of the agreement with the company. The number of shares to be issued may vary with changes in the fair value of the instruments and therefore the instruments are accounted for as non-basic financial liabilities under Section 12 of FRS 102.

Initial recognition occurs when the company becomes party to the contractual provisions of the instrument.

Financial liabilities are initially measured at fair value with subsequent changes in fair value being recognised through the profit and loss account.

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Notes to the Unaudited Financial Statements for the Year Ended 31 October 2021

3 Staff numbers

The average number of persons employed by the company (including directors) during the year was 5 (2020 - 4).

4 Intangible assets

	Patents £	Development costs £	Total £
Cost or valuation			
At 1 November 2020	42,884	348,548	391,432
Additions	19,282	21,301	40,583
At 31 October 2021	62,166	369,849	432,015
Amortisation			
At 1 November 2020	12,268	108,076	120,344
Amortisation charge	11,088	73,970	85,058
At 31 October 2021	23,356	182,046	205,402
Carrying amount			
At 31 October 2021	38,810	187,803	226,613
At 31 October 2020	30,616	240,472	271,088

The aggregate amount of research and development expenditure recognised as an expense during the period is £327,398 (2020 - £157,985).

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Notes to the Unaudited Financial Statements for the Year Ended 31 October 2021

5 Tangible assets

	Office equipment £	Total £
Cost or valuation		
At 1 November 2020	1,133	1,133
At 31 October 2021	1,133	1,133
Depreciation		
At 1 November 2020	750	750
Charge for the year	383	383
At 31 October 2021	1,133	1,133
Carrying amount		
At 31 October 2021	-	-
At 31 October 2020	383	383

6 Stocks

	2021 £	2020 £
Finished goods and goods for resale	48,312	-

7 Debtors

	2021 £	2020 £
Trade debtors	91,786	131,412
Prepayments	-	223,989
Other debtors	179,986	145,995
	271,772	501,396

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Notes to the Unaudited Financial Statements for the Year Ended 31 October 2021

8 Creditors

	Note	2021 £	2020 £
Due within one year			
Loans and borrowings	9	1,322,252	34,400
Trade creditors		426,927	242,090
Social security and other taxes		69,282	36,014
Other creditors		204,015	41,093
Accruals		62,879	25,000
Deferred income		25,025	298,714
		<u>2,110,380</u>	<u>677,311</u>
Due after one year			
Loans and borrowings	9	<u>860,575</u>	<u>570,975</u>

Included within creditors above are non-basic financial liabilities measured at fair value through profit or loss with a carrying amount of £2,148,715 (2020 - £570,975). The total fair value movement of non-basic financial liabilities recognised in profit or loss in the year was £842,104 (2020 - £Nil) and the cumulative fair value movements as at the year end are £842,104 (2020 - £Nil). The directors do not attribute any of these fair value changes to credit risk. The carrying amount excess over the contractual liability of non-basic financial liabilities at the year end is £708,359 (2020 - £Nil).

9 Loans and borrowings

	2021 £	2020 £
Current loans and borrowings		
Bank borrowings	9,480	34,400
Other borrowings	<u>1,312,772</u>	-
	<u>1,322,252</u>	<u>34,400</u>
Non-current loans and borrowings		
Bank borrowings	24,632	-
Other borrowings	<u>835,943</u>	<u>570,975</u>
	<u>860,575</u>	<u>570,975</u>

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Notes to the Unaudited Financial Statements for the Year Ended 31 October 2021

Other borrowings

Included within other borrowings are convertible loan note instruments denominated in US dollars. Compound interest is charged at rates between 1 and 6% and is payable on conversion of the loan notes into equity shares, expected to be on the 2nd anniversary of the date of issuance, in 2022 and 2023. The carrying amount of convertible loan notes at the year end is £1,674,583 (2020 - £570,975). The loan note instruments are not secured against any assets of the company.

10 Non adjusting events after the financial period

After the balance sheet date a total of £135,000 was received by the company in relation to SAFE agreements.

